

**INTERNATIONAL CIVIL AVIATION ORGANIZATION**

**Seventh Meeting of the Civil Aviation Authorities of the SAM Region (RAAC/7)**

(Salvador, Bahia, Brasil, 01 to 03 July 2002)

**Agenda Item 1: New regional scenario for air transportation and airport privatisation**

(Prepared by the Secretariat)

**Summary**

This working paper submits to the consideration of civil aviation authorities of the South American Region the work carried out by the Regional Office towards increased flexibility in air transportation and airport privatisation, and suggests future actions to proceed with this task.

**References:**

- Report of the RAAC 6 meeting
- Report of the ICAO/LACAC/IDB/IATA/AITAL colloquium “New Latin American air transportation scenario”
- Report of the XI Ibero-American Summit of Heads of State and Government
- Reports of the meetings of Ministers of Transportation and Aeronautical Authorities of Latin America
- Reports of the meetings of the high-level post-colloquium Committee
- Report of the Conference on airport and air navigation services economics (ANSCConf2000)

**1. Background**

1.1 On occasion of the sixth meeting of Aeronautical Authorities of the SAM Region (RAAC/6) held in the city of Panama, on 18-20 August 1999, when discussing agenda item 1 on privatisation and its impact on international civil aviation safety, the authorities attending the meeting agreed, with respect to airport concessions, to urge States to:

- a) conduct airport concession processes independently from the process of privatisation of corporations of a different nature; and
- b) include the national aeronautical authority in airport concession committees.

1.2 Likewise, with respect to airport oversight, it was agreed that, in order to monitor compliance of the standards and recommended practices contained in the annexes to the Chicago Convention by privately-managed airports, SAM States should establish appropriate mechanisms with broad airport oversight faculties as soon as possible.

1.3 Furthermore, regarding action to be adopted by ICAO concerning airport concession processes, the civil aviation authorities of the Latin American Region gave their full support to the Secretary General for the prompt adoption by ICAO of the following measures:

- a) establishment of a common language regarding the meaning of the terminology being used by States in these processes;
- b) adoption of actions aimed at sensitising economic/financial authorities, both national and from international bodies, regarding these processes;
- c) proposal of guidance material so that States may include in their tender documents the level of training required from the professionals to be designated as airport administrators or managers;
- d) establishment of guidelines and mechanisms to support States in the implementation of privatisation processes and/or correction of possible distortions in already completed processes; and
- e) establishment of a committee, with the participation of the States, IATA and ACI, to study airport privatisation issues and to propose measures in line with the previous paragraphs.

1.4 It was also agreed at that meeting that the ICAO Regional Office should collect detailed information about the various privatisation or concession processes carried out by the States of the Region, in order to disseminate those experiences.

1.5 The aforementioned conclusions have been taken care of through the work carried out by the ICAO South American Regional Office in coordination with the Mexico Regional Office and the Latin American Civil Aviation Commission (LACAC). Economic globalisation, trade integration, sub-regional development of integration processes and the possibility of reaching regional free trade agreements have led to the creation of CAR/SAM regional fora to coordinate and harmonise positions for proceeding in an orderly and efficient manner towards a more flexible air transportation.

## 2. **Trade integration processes in the Americas**

2.1 It is important to highlight that the relationship between trade and air transportation has improved over the last decade. This is reflected in the development of the North American Free Trade Agreement (NAFTA), the Andean Community of Nations (CAN), the Central American Common Market (MCCA), the Southern Cone Common Market (MERCOSUR) and the Free Trade Zone of the Americas (ALCA). At the same time, in terms of air transportation, initiatives to integrate and make traffic more flexible continue to be included in agreements fostered by aeronautical and trade authorities, as is the case of the Fortaleza Agreement, the CAN decisions and the work carried out by the Association of Caribbean States (AEC). All of these seek to harmonise policies for giving more flexibility to the granting of traffic rights and market access, and for making air transportation more fluid.

2.2 The ICAO South American Regional Office, through its harmonisation and coordination efforts, has also promoted this type of processes in order to harmonise policies and develop air transportation to meet the expectations not only of developed countries but mainly of less developed nations.

## 3. **New scenario for air transportation**

3.1 As a result of the foregoing and the implementation of more open economic policies by the States of the Region, and within government political and economic modernisation frameworks, new actors have appeared in the aeronautical market during the last decade. Not only aeronautical authorities and airlines had to be considered as points of reference in this activity, but now airport operators and regulatory bodies were also entering the scene.

3.2 From this perspective, the work carried out by aviation organisations henceforth should pay close attention to the opinion of all those that participate in the activity, giving more emphasis to consumer participation, meaning not only the users of air transportation, but also airport users. Due to their new business characteristics, airports have had to change their original set up, since airports are now not only a gateway for aircraft, but also a trade centre for passengers, cargo officials and public alike.

3.3 Within this new context, several international organisations (ICAO, LACAC, IDB, IATA and AITAL) got together for the first time to convene a colloquium on “The new Latin American air transportation scenario” (Salvador, Bahia, Brazil, 27-28 August 2001), which brought together all the parties concerned to discuss their viewpoints on increased flexibility and the airport privatisation process in Latin America, funding programmes, the situation of the industry and the role of international specialised bodies. This event, which was organised and held with the important participation of the ICAO South American Regional Office, was very productive and allowed the participants to identify the problems facing the Region and seek alternatives for their prompt solution.

3.4 The main problems identified were: lack of coordination between the parties concerned, lack of transparency in estimating service costs, regulatory and functional overlap, excessive tax burden, diversion of resources to other activities, and the need for all the organisations involved to seek the support of specialised bodies and to be included in their respective work programmes. To solve these problems, a high-level committee was created with the participation of seven aeronautical authorities, five airlines, three airport operator representatives, two regulatory body representatives and the active participation of ICAO, LACAC, IATA and AITAL.

## 4. **New direction**

4.1 After the unfortunate events of 11 September 2001 and their impact on international civil aviation, and within the framework of the XI Summit of Ibero-American Heads of State and Government held in Lima, on 23-24 November 2001, the Presidents, reaffirming their will to strengthen political convergence, agreed on a set of mandates. One of these mandates concerns air transportation, and states:

*“Recognising that air transportation is a strategic sector for the development and integration of our nations, we express our concern for the serious repercussions that the acts of terrorism of 11 September 2001 are having on our air industry, which could have serious economic and social consequences. We welcome the invitation extended by the Government of Colombia to the Ibero-American authorities responsible for air transportation and civil aviation to meet with the purpose of making a diagnosis. We have instructed our Ministers of Transportation and civil aviation authorities to hold a meeting within thirty days to discuss this matter and establish cooperation mechanisms, especially within the Ibero-American framework, to ensure the development of a competitive and stable air industry.”*

4.2 Pursuant to this mandate, the First Meeting of Ministers of Transportation and Aeronautical Authorities of Latin America was held in Bogota, Colombia, on 13 December 2001, with the purpose of examining the sector, making a diagnosis and establishing cooperation mechanisms to ensure the development of a competitive and stable Latin American air industry.

4.3 The meeting, *inter alia*, agreed that the Ministers of Transportation and Aeronautical Authorities should undertake to make all the necessary efforts to fulfil the mandate of the Heads of State, implementing feasible policies and measures and taking on a leading role *vis-a-vis* other government bodies.

4.4 It also reasserted its commitment to generate and implement measures to balance the terms of competition and establish a solid and suitable foundation for the development of the industry in the region. In order to support this task, the Ministers agreed to rely on the work of the aforementioned high-level post-colloquium Committee.

4.5 On the other hand, the Ministers recognised that this Group should suggest mechanisms for the implementation of the proposed solutions. To this end, the experience and work of the various organisations and governments in the region will need to be taken into account.

4.6 Following the Meeting of Ministers, the high-level post-colloquium Committee held its first meeting on 14 December to examine the tasks assigned by the Colloquium, together with the proposals and suggestions on the topics dealt by the First meeting of Ministers of Transportation and Aeronautical Authorities of Latin America, with the purpose of relating and harmonising the activities to be carried out by the Committee thereafter.

4.7 The second meeting of the high-level post-colloquium Committee was held in Asunción, Paraguay, on 13 March 2002. Based on the work done to that point, the Secretariat was requested to submit several conclusions to the following meeting of Ministers of Transportation and Aeronautical Authorities of Latin America, which were discussed at the second meeting of Ministers of Transportation and Aeronautical Authorities of Latin America held in Santiago, Chile, on 2 April 2002, within the framework of FIDAE; at that meeting, the Ministers agreed to urge the governments of Latin American States to adopt the measures described in **Attachment 1**.

4.8 The high-level post-colloquium Committee was also requested to review the tasks pending implementation concerning the development of a methodological guide for estimating airport service costs, the assessment of fuel prices, and the development of a guide to serve as a model for airport concessions. It also requested the Committee to monitor compliance of the recommendations made by the Ministers, and agreed to the development of a Permanent Minister Forum within the framework of LACAC.

4.9 As can be readily seen, the ICAO Regional Office, in coordination with LACAC, has worked very hard on this subject. The steps taken to strengthen regional air transportation and coordination among the various actors in this new scenario have been fruitful. It is obvious that ICAO, as a specialised civil aviation organisation in this new scenario, should focus on strengthening the relationship between economic policies and the technical aspects, fostering political decisions that accommodate the interests of consumers and have air transport safety as a permanent objective.

## 5. **Airport privatisation**

5.1 As indicated above, economic globalisation, financial limitations of the States and the need to generate resources have led to an accelerated process of airport privatisation in the Region, to such an extent that, according to 2001 data, the Latin American Region has privatised about 140 airports or, rather, has given in concession the commercial areas of airports. To illustrate this reality, the attached table (**Attachment 2**) shows the airports that have been involved of the process, the areas handed over, the authorities and/or operators, the allocation of income and expenditures, and the applicable allocation regime.

5.2 In order to hold discussions at a broader forum, ICAO convened a global conference on airport and air navigation services economics in June 2000. Among other conclusions, it is worth mentioning the recommendation that States explore the possibility of establishing autonomous bodies to operate airports and air navigation services when it is felt that this serves better the interests of providers and users. It should be pointed out that the term “autonomy” can be applied to State-owned enterprises, joint ventures or private companies alike.

5.3 Another important recommendation was that States, when examining the marketing or privatisation of airport and air navigation service provider services, should bear in mind that the State has the ultimate responsibility for the safety, protection and, considering the monopolistic nature of airports and air navigation services, surveillance of the economics of their operation. It was also recognised that, within the context of the guidelines to States wishing to market airport and air navigation services, consideration should be given to the concepts of airport systems and networks, something which is more customary in our region.

5.4 Other issues of vital importance, both for airport and air navigation services, are oversight and productivity, and the establishment of appropriate operational parameters. Accordingly, the

Conference also recommended that States, at their own discretion, encourage their airports and air navigation service providers to prepare and collect data on service performance in aspects related to safety, delays, foresightedness, flexibility, efficiency, availability, accessibility, environment and cost of service. These parameters should enable an assessment to improve the quality of services, support investment decisions, consult with users in order to reach an understanding and consensus, and maintain cost systems sufficiently transparent for providers and users.

5.5 To complete the task on airport management and administration, and as requested by the Conference, ICAO is updating the manuals on airport economics and air navigation services, to reflect reality. This could well be understood as a promulgation of guidelines to face the new global air transportation scenario.

## 6. Conclusion

6.1 The conclusions of the previous Meeting of Civil Aviation Authorities of the SAM Region (RAAC/6) mentioned in the first part of this paper have been implemented. In this new air transportation scenario, States need to adopt relevant measures to foster:

- a) cooperation between sub-regions in the field of air transportation, encouraging the integration of the Fortaleza and the Andean Community of Nations (CAN) agreements, in order to reach an agreement on increased flexibility for the South American region;
- b) internal and external coordination among the bodies representing the new actors (aeronautical authorities, regulatory bodies, airport operators and airlines);
- c) the establishment of national strategies for implementing the agreements reached by the Ministers;
- d) support to the regional forum of air transportation ministers as a mechanism for strengthening regional air transportation;
- c) coordination between the specialised bodies and any new initiatives that could arise, in order to continue supporting international cooperation and avoiding the duplication of efforts; and
- d) the harmonisation of economic standards and regulations for air transportation, with emphasis on the development of CNS/ATM systems and the corresponding multinational services and facilities.

## 6. Suggested action

6.1 The meeting is invited to take note of the information provided in this working paper and to adopt the measures suggested in paragraph 6.1.

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**II MEETING OF MINISTERS OF TRANSPORTATION AND AERONAUTICAL  
AUTHORITIES OF LATIN AMERICA**

(Santiago, Chile, 2 April 2002)

The Ministers of Transportation and Aeronautical Authorities of Latin America agreed to urge the Governments of Latin American States to take the necessary steps to:

1. Establish norms and/or review the existing ones with the purpose of developing fare-setting and fare-reviewing procedures, taking into account the responsible bodies (regulatory or similar bodies), deadlines, approval requirements and instances for the participation of airport users in both the selection of the rate methodology applied and the setting of the levels to be approved.

The aforementioned norms should include obligatory public hearings to put forward rate proposals and substantiate the acceptance or rejection of user remarks on the proposed rates.

2. Create Consultative Committees of airport users, taking into account the following functions:
  - Receive and submit to the responsible body the inquiries of airport infrastructure users regarding the policies and standards of said body.
  - Learn about and express an opinion about the plans of the responsible body for overseeing the activities of the airport operator.
  - Inform the responsible body about user requirements concerning the provision of airport services.
  - Propose appropriate lines of action to improve the quality of the services provided within the sphere of competence of the body.
  - The aforementioned Committees should be composed of users that are representative of the provision of services and the markets in which they operate.
3. Define the basic rules and procedures for commercial use of airport infrastructure, in keeping with the obligations acquired by the airport operator.
4. Review the norms, laws and/or regulations of aeronautical authorities and regulatory bodies to avoid functional overlaps, seeking the appropriate corrective measures.

5. Consider the participation of all the parties involved in the airport service concession or privatisation processes, namely, the aeronautical authority, the regulatory body, the airport operator and the airlines, so as to clearly define responsibilities and avoid duplication of efforts, maintaining supervision and control in the hands of the aeronautical authority.
6. Review tax burdens affecting the civil aviation industry, studying the feasibility of taxing only profits derived from airline operations.
7. Ratify as soon as possible, in case they have not done so yet, the “Convention on International Guarantees for Mobile Equipment Elements” and the “Protocol on Specific Issues of Aeronautical Equipment Elements” signed in Capetown, South Africa, on 16 November 2001.
8. Ratify as soon as possible, in case they have not done so yet, the Agreement on civil aircraft trade contained in WTO Annex 4, which would permit the elimination of import duties on civil aircraft and parts, including flight simulators.
9. Instruct civil aviation authorities to participate in the ICAO Legal Committee and to take into account the concerns of the airlines of the region when reviewing and drafting the new Convention on public liability for damages to third parties on the ground.
10. Consider the elimination of double taxation of airlines in the region when bilateral or multilateral agreements are signed, pursuant to the recommendations of ICAO and LACAC.
11. Alleviate, as a temporary measure, the cash flow of airlines, by freezing airport fees and charges to overcome the serious consequences of the terrorist attacks on 11 September 2001.
12. Have economic and political authorities take into account the need for reinvesting the income from air navigation services, flight protection and landings in the aeronautical sector itself, as established in ICAO documents (Doc. 8632 and Doc. 9082/6) and LACAC Recommendation A12-2.
13. Foster coordination between organisations involved in civil aviation (aeronautical authorities, regulatory bodies, airport operators, etc.), in such a way that the official relationship between these and the international specialised bodies (ICAO and LACAC) is established through the entity accredited to them, taking into account the importance and priority that should be assigned to air transportation within each State.
14. Join the ICAO/LACAC Regional Safety Oversight Cooperation System in the event they have not done so yet.

15. Provide full support to aeronautical authorities regarding actions being adopted in the field of safety.
16. Foster and support the establishment of alliances between the airlines of the region so as to reduce costs, optimise services and harmonise business management.
17. Make sure that safety charges associated to civil aviation are directly related to costs, avoiding additional charges.
18. Avoid an unnecessary duplication in passenger and cargo security control, so that airlines will not have to pay additional charges.

Regarding the tasks listed below, the meeting agreed to wait for the results of the work being done by ICAO in the area of war risk insurance:

1. Take relevant action to obtain soft loans for the airlines of the region to cover the cost of public liability insurance for acts of war and terrorism.
2. Adopt relevant measures for granting exemptions to airlines and third parties which might be affected by this type of losses.
3. Take on public liability for third party damages caused by acts of war, thus holding harmless the airlines they license and protecting the third parties that might be affected.

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## PRIVATISATION AND/CONCESSION OF AIRPORTS IN LATIN AMERICA

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Argentina</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>• 33 airports <sup>0</sup> list shown in footnote</li> <li>* Time frame: 30-40 years</li> </ul>	All airport areas, except those corresponding to air navigation and security	<ul style="list-style-type: none"> <li>* ORSNA (regulates the system and user protection)</li> <li>* FAA (air navigation and airport security)</li> <li>* Airports/2000 (Administration-Airport)</li> </ul>	<ul style="list-style-type: none"> <li>* commercial/non-aeronautical</li> <li>* Aeronautical-ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* FAA (flight protection and approach charges)</li> <li>* Annual rate (US\$171 million/year)</li> <li>* Investment (US\$2,300 million)</li> </ul>	<ul style="list-style-type: none"> <li>* Regulation and approval of airport and flight protection fees and charges by ORSNA</li> </ul>
<b>Aruba</b>	* Not available					
<b>Bolivia</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>* 3 airports (La Paz, Cochabamba and Sta. Cruz)</li> <li>* Time frame: 25 years</li> </ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"> <li>* DGAC</li> <li>* AASANA (air navigation)</li> <li>* Transportation Superintendency (regulator and user protection)</li> <li>* FAB (AVSEC/perimeter)</li> <li>* SABSA (administration)</li> </ul>	<ul style="list-style-type: none"> <li>* commercial/non-aeronautical</li> <li>• aeronautical-ground support</li> <li>* Airport fee (US\$20 per passenger)</li> </ul>	<ul style="list-style-type: none"> <li>* AASANA (70% flight protection charges)</li> <li>* Aeronautical fund (US\$5 of airport fees)</li> <li>* State (30% flight protection charges) <ul style="list-style-type: none"> <li>• Monthly rate 20.3% /Income</li> </ul> </li> <li>* Investment: maintenance</li> </ul>	<ul style="list-style-type: none"> <li>* Regulation and approval of airport and flight protection fees and charges by the Transportation Superintendency</li> </ul>
<b>Brazil</b>	* No privatisation or concession processes have been carried out; the airport system is in the hands of INFRAERO, with the exception of the Buzios and Porto Seguro airports, which have been privately-owned from the beginning.					

\* City of Buenos Aires, Bariloche, Comodoro Rivadavia, Córdoba, Esquel, Ezeiza, Formosa, General Pico, Iguazú, La Rioja, Mendoza, Posadas, Rio Gallegos, Rio Grande, San Fernando, San Luis, San Rafael, Santiago del Estero, Santa Rosa, Viedma, Villa Reynolds, Salta, Tucumán, Catamarca, Paraná, Rio Cuarto, Resistencia, Jujuy, San Juan, Malargue, Puerto Madryn, Reconquista, Mar del Plata.

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Chile</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>* 10 airports (Iquique, Calama, Serena, Copiaco, Antofagasta, Santiago, Temuco, Concepción, Puerto Montt and Punta Arena)</li> <li>* Time frame: 12-18 years</li> </ul>	All airport areas, except those corresponding to air navigation, security, and rescue and fire fighting	* General Civil Aeronautics Bureau	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee (fixed value per passenger, ranging from US \$1.5 to 8)</li> </ul>	<ul style="list-style-type: none"> <li>* DGCA (airport fees and charges)</li> <li>* Annual rate</li> <li>* Investment: US \$332 million</li> </ul>	* Regulation and approval of airport and flight protection fees and charges by DGCA
<b>Colombia</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>* 2 airports (Cartagena and Barranquilla)</li> <li>* 1 runway Eldorado airport (operation and maintenance)</li> <li>* Time frame: 15-17 years</li> </ul>	All airport areas, except those corresponding to air navigation	* Special Civil Aeronautics Administrative Unit	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* Financial compensation</li> <li>* Quarterly rate based on interest rate</li> <li>* 1999 budget: estimated income: US\$ 20 million</li> </ul>	* Pre-defined in the concession contract, with indexing formula using inflation in time as a parameter

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Costa Rica</b>	<ul style="list-style-type: none"> <li>* Concession (interested managing body)</li> <li>* 1 airport (San Jose)</li> <li>* Time frame: 20 years</li> </ul>	All airport areas, except those corresponding to air navigation	* Civil Aviation Bureau	<ul style="list-style-type: none"> <li>* Landing charges</li> <li>* Commercial/non-aeronautical</li> <li>* Per cent of airport services, except approach</li> <li>* \$4.50 per passenger carried + 100% approach rate + 25% on landing</li> </ul>	<ul style="list-style-type: none"> <li>* Commission as a percent of service.</li> <li>* Investment: to be defined in the master plan/US\$ 180 million</li> <li>* US \$1 million per year/trust fund</li> <li>* 700,000 per year for local airport network</li> </ul>	<ul style="list-style-type: none"> <li>* Specific regulatory body of the public sector</li> <li>* Regulation and approval of airport and flight protection fees and charges by the State</li> </ul>
<b>Cuba</b>	<ul style="list-style-type: none"> <li>* Stock company Cuban capital</li> <li>* Concession</li> <li>* 9 international airports</li> </ul>	All airport areas, except those corresponding to navigation	* Empresa Cubana de Aeropuertos y Servicios Aeronáuticos (ECASA)	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	* Total income	* Instituto de Aeronáutica Civil de Cuba

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Ecuador</b>	<ul style="list-style-type: none"> <li>* Concession (the State creates stock companies for each airport/ business feasibility study/operation of existing airports and construction of new ones)</li> <li>* 2 airports (Quito and Guayaquil)</li> <li>* Time frame: undefined</li> </ul>	All airport areas, except those corresponding to air navigation	* General Civil Aviation Bureau	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* DGCA shall collect a rate per passenger to maintain other airports</li> <li>* Commissions on some services</li> <li>* Investment: to be defined</li> </ul>	* Regulation and approval of airport and flight protection fees and charges by the State
<b>El Salvador</b>	* Not available					
<b>Guatemala</b>	* Initial privatisation process suspended. Currently working on a “modernisation process”					
<b>Guyana</b>	<ul style="list-style-type: none"> <li>* Concession (underway) to be defined</li> <li>* 1 airport - Intl. Cheddi Jagan</li> </ul>	All airport areas, except those corresponding to air navigation	* General Civil Aviation Authority	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Airport fee</li> </ul>	* To be defined	* Regulation and approval of airport and flight protection fees and charges by the State
<b>Honduras</b>	* Not available					
<b>Jamaica</b>	* Not available					

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Mexico</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>* 35 airports/4 groups: Pacific, South East, Central North and Mexico city (the first two underway)</li> <li>* Time frame: 25-50 years</li> </ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"> <li>* Civil Aeronautics Bureau</li> <li>* Administrator (private sector)</li> </ul>	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* The highest bid</li> <li>* Master development plan every 5 years</li> </ul>	<ul style="list-style-type: none"> <li>* Rate Bureau / Communication s Secretariat</li> </ul>
<b>Nicaragua</b>	<ul style="list-style-type: none"> <li>* Concession (under study)</li> <li>* 1 airport (Managua)</li> </ul>	Apron/Flight dispatch commercial areas	<ul style="list-style-type: none"> <li>* Civil Aviation Bureau</li> <li>* Airport/company certification</li> </ul>	* To be defined	<ul style="list-style-type: none"> <li>* Monthly rate</li> <li>* Investment: to be defined</li> </ul>	<ul style="list-style-type: none"> <li>* Civil Aeronautics Bureau through the airport board of directors</li> </ul>
<b>Panama</b>	<ul style="list-style-type: none"> <li>* Concession (underway, to be defined on 28/10/99)</li> <li>* 1 airport (Tocumen)</li> <li>* Time frame: 20 years</li> </ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"> <li>* DGCA</li> <li>* Tocumen Airport Authority</li> </ul>	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* DGCA (share of landing charge)</li> <li>* Annual rate, base US\$ 10 million, to be defined during the award process</li> <li>* Investment: US \$250 million for maintenance and replacement</li> </ul>	<ul style="list-style-type: none"> <li>* Regulation and approval of airport and flight protection fees and charges by DGCA</li> </ul>
<b>Paraguay</b>	* No privatisation or concession process foreseen.					
<b>Peru</b>	<ul style="list-style-type: none"> <li>* Concession (underway)</li> <li>* 5 airports (Lima, Cusco, Arequipa, Iquitos, Trujillo)</li> <li>* Time frame: 30 years</li> </ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"> <li>* OSITRAN</li> <li>* DGTA (CORPAC)</li> </ul>	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical – ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* CORPAC (20% of airport fee)</li> <li>* 50% landing charges</li> <li>* Annual rate to be defined – base: US \$10 million</li> <li>* Investment: base US \$500 million</li> </ul>	<ul style="list-style-type: none"> <li>* Regulation and approval of airport and flight protection fees and charges by OSITRAN</li> </ul>

STATES	PROCESS/ AIRPORTS/ TIME FRAME	AREAS DELIVERED	AIRPORT AUTHORITIES	INCOME FOR LEASEHOLDER	INCOME FOR STATES	RATING REGIME
<b>Dom. Rep.</b>	<ul style="list-style-type: none"> <li>* Concession (underway)</li> <li>* 4 airports (Santo Domingo, Puerto Plata, Barahona, Samaná)</li> <li>* Time frame: 20 years</li> </ul>	All airport areas, except those corresponding to air navigation. Includes operation, administration, expansion and modernisation	<ul style="list-style-type: none"> <li>* Commissioner/Airport Committee</li> <li>* Airport department</li> </ul>	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	* To be defined	* Airport committee
<b>Suriname</b>	<ul style="list-style-type: none"> <li>* Concession</li> <li>* 1 airport</li> <li>* Time frame: 25 years</li> </ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"> <li>* Civil Aviation Bureau</li> <li>* M.V. Suchthaven Beheer</li> </ul>	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Share/landing charge</li> <li>* Concession of fuel sale/dispatch</li> </ul>	<ul style="list-style-type: none"> <li>* Fixed share on concession</li> <li>* Tax on profits</li> </ul>	<ul style="list-style-type: none"> <li>* Sharing in landings and concessions subject to approval by the government</li> <li>* Airport fees established and collected by the DCA</li> </ul>
<b>Uruguay</b>	<ul style="list-style-type: none"> <li>* Concession (one underway)</li> <li>* 2 airports (Montevideo and Punta del Este / Different bases)</li> <li>* Time frame: 25 years</li> </ul>	All airport areas, except those corresponding to air navigation	* DINACIA (DGIA)	<ul style="list-style-type: none"> <li>* Commercial/non-aeronautical</li> <li>* Aeronautical - ground support</li> <li>* Airport fee</li> </ul>	<ul style="list-style-type: none"> <li>* DINACIA (DGIA)</li> <li>* Income based on unit/cargo one passenger or 100 k/cargo</li> <li>* US\$5 million are expected per year</li> <li>* Investment: a minimum of US \$165 million</li> </ul>	<ul style="list-style-type: none"> <li>* Regulation and approval of airport and flight protection fees and charges by the aeronautical authority</li> </ul>

<b>STATES</b>	<b>PROCESS/ AIRPORTS/ TIME FRAME</b>	<b>AREAS DELIVERED</b>	<b>AIRPORT AUTHORITIES</b>	<b>INCOME FOR LEASEHOLDER</b>	<b>INCOME FOR STATES</b>	<b>RATING REGIME</b>
<b>Venezuela</b>	<ul style="list-style-type: none"><li>* Decentralisation</li><li>* Concession (one airport – regional government)</li></ul>	All airport areas, except those corresponding to air navigation	<ul style="list-style-type: none"><li>* DGSTA</li><li>* Airport Director</li></ul>	<ul style="list-style-type: none"><li>* Commercial/non-aeronautical</li><li>* Aeronautical - ground support</li><li>* Airport fee</li></ul>	* Regional government (unknown)	<ul style="list-style-type: none"><li>* Regulation and approval of airport and flight protection fees and charges by the aeronautical authority (DGSTA)</li></ul>